

GOVERNMENT OF ANDHRA PRADESH
A B S T R A C T

Andhra Pradesh Electricity Duty Act, 1939 – Exemption from payment of Electricity Duty to Ferro Alloys Units in Andhra Pradesh under Section 3-A of the Andhra Pradesh Electricity Duty Act, 1939, from 26.9.2002 (The date of APERC order) to 23-11-2009 – Notification – Orders Issued.

ENERGY (RES-A1) DEPARTMENT

G.O.Ms.No. 43

Dated: 02-11-2012

Read the following:

1. G.O.Ms.No.123 Energy (PR.III) Department, Dated:28.10.2003.
2. Representation of A.P. Ferro Alloys Producers Association, Dated: 24.05.2006.
3. G.O.Ms.No.81 Energy (RES) Department, Dated:10.08.2007.
4. From the Prl. Secy. & Commissioner for Industrial Promotion Industries & Commerce Department, D.O.Lr.No.12232/IP/A2/2002, Dt:26.7.2002.
5. APERC Order No.425/2002, Dt.26.9.2002 in IA No.10/2002 in OP.Nos.29 to 33 of 2002.
6. From the Chief Electrical Inspector to Govt., Lr.No.CEIG/AO/Duty-2/SA/D.No.4065/2007, Dt.20.10.2007.

ORDER:

The Government vide G.O. 1st read above have issued orders exempting permanently from payment of Electricity Duty payable under sub section (1) of Section 3 B of the Andhra Pradesh Electricity Duty Act 1939 by the units of Ferro Alloys in A.P. in respect of power generated and consumed by them subject to the condition that the Electricity generated shall be utilized fully by them only. Government vide G.O. 3rd read above have issued amendment to the orders issued in G.O.Ms.No.123, Energy Department dated:28-10-2003 that said exemption is available in respect of power generated and to the extent consumed by them and the surplus energy sold to the grid is liable to pay Electricity duty at the rate of 6 paise per unit". This exemption is only applicable to the Ferro Alloys Companies who are having their own power generating plant but not the Ferro Alloys Companies who have no generation of power of their own and are purchasing power from the DISCOMs.

2. The Ferro Alloys Producers Association vide their representation 2nd read above, have requested the Government for exemption of Electricity Duty @ 6 paise (six paise) per unit payable under Section 3 (1) of the A.P. Electricity Duty Act, 1939 as their industries are facing severe financial problems and crippled due to increase in wheeling charges.

3. In the reference 4th read above, the Principal Secretary & Commissioner Industrial Promotion has stated that six major Ferro Alloys manufacturing units in the State have been crippled by the recent increase in wheeling charges and the Ferro Alloys may be supplied power in bulk with the condition that their total power purchased will be from AP TRANSCO and the tariff will be charged at Rs.2.08 paise per unit plus Rs.0.03 per unit as DISCOMS margin, with waiver of Electricity Duty.

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4. In the reference 5th read above, the APERC have recorded the undertaking of the Principal Secretary & Commissioner Industrial Promotion in their order, that the Government had agreed to exempt these units from Electricity Duty.
5. In the reference 6th read above, the Chief Electrical Inspector to Govt. has stated that in view of the prevailing scenario, the Ferro Alloys units are fairly doing well, and can contribute by paying Electricity Duty for the welfare of the State and exemption from payment of Electricity Duty by Ferro Alloys may become a precedent for all other companies to make a similar request.
6. Government after careful consideration of the matter have decided to grant exemption to DISCOMs from payment of Electricity Duty in respect of sale of Energy to Ferro Alloys units in the State of A.P. for a specified period i.e., from 26.9.2002 (the date of APERC order) to 23-11-2009. However Electricity Duty shall be Leviable on the Ferro Alloys Units under the provisions of the A.P. Electricity Duty Act, 1939 from 24- 11- 2009.
7. This order issues with the concurrence of the Finance Department vide their C.No.601/20/PF/08, Dt.1.4.2008.
8. This order is also available on the internet and can be accessed at the address <http://goir.ap.gov.in/>
9. Accordingly, the following notification will be published in the Extra-ordinary issue of the Andhra Pradesh Gazette, dated: 03-11-2012

NOTIFICATION

In exercise of the powers conferred by Section 3 A of the Andhra Pradesh Electricity Duty Act, 1939, the Government hereby exempts the DISCOMS from payment of Electricity Duty in respect of sale of Energy for consumption to the Ferro Alloys Units in the State during the period from 26.9.2002 to 23-11-2009.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

MRUTUNJAY SAHOO
PRINCIPAL SECRETARY TO GOVERNMENT

To
The Commissioner of Printing Stationery & Store Purchase, A.P. Hyderabad
for publication and supply of 100 copies
The Commissioner, Industries Department.
The Chief Electrical Inspector to Govt. A.P., Hyderabad .
The C & M.D AP TRANSCO/AP GENCO., Hyderabad.
The C & M.D APCPDCL/APEPDCL/APNPDCL/APSPDCL.
The All District Collectors,.
The Secy., A.P. Electricity Regulatory Commission, Hyderabad.
The A.P. Ferro Alloys Producers Association, Plot.No103, MIG-II/9th phase
K.P.HB Colony, Hyderabad- 72.
Copy to:
P.S to Principal Secretary to Hon'ble C.M.
The Law (E) Department/The Energy (Power.II, III) Department
The Finance (PF1) Department.
P.S to Principal Secretary to Energy
Sc/sf.

// Forwarded: By order//

SECTION OFFICER